

Ethics panel to probe Curran

Delegate sees nothing
wrong in trying to sell
insurance plan to state

He stands to make thousands

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SUN STAFF 2.10.98

The Maryland Senate president and House speaker ordered the legislature's ethics committee yesterday to convene immediately to determine whether Del. Gerald J. Curran improperly used his office in selling an insurance program to the University System of Maryland.

House Speaker Casper R. Taylor Jr. and Senate President Thomas V. Mike Miller asked the committee to look into whether Curran broke state ethics laws by pushing a plan to offer insurance to university employees — a deal in which he stands to make tens of thousands of dollars in broker's fees.

"The allegations are most troubling," said Miller, whose chamber expelled former Sen. Larry Young last month for ethics violations. "The whole issue's bothersome."

Taylor, who appointed Curran chairman of the House Commerce and Government Matters Committee in 1994, said he wanted to "move as expeditiously as possible to have this set of circumstances reviewed by the joint ethics committee."

Taylor and Miller set a deadline of March 2 for the Joint Committee on Legisla-

tive Ethics to conclude its examination and report to them. The

committee is expected to take up the matter at its next regularly scheduled meeting Thursday.

The legislature's two top officers were prompted to act after an article Sunday in *The Sun* detailed Curran's dogged pursuit of an insurance contract with the university system.

Within an hour of Taylor and Miller's starting the ethics investigation, Curran delivered a letter to them asking that the committee examine the matter "as soon as possible." He also asked for a review of the contract with the University System of Maryland.

In a prepared statement, released to the news media with a copy of his letter, Curran, a 58-year-old insurance broker, denied any wrongdoing. The Northeast Baltimore Democrat, an eight-term member of the House, said *The Sun*'s article "contains inaccuracies and misinterpretations of fact," but he was not otherwise specific.

"Unfortunately, this article created the impression that I have an improper arrangement with the university for the sale of insurance," he said in the statement. "Nothing could be further from the truth.

"In my opinion, I have not done anything that violates our ethics restrictions while I have pursued my livelihood of selling insurance," he said.

The article reported that after years of sales efforts, Curran convinced university officials in 1995 to offer auto and homeowners insurance that employees could pay for via payroll deductions.

In the process, however, he met with a university system official in his Annapolis legislative office and called on state political leaders, including then-Gov. William Donald Schaefer and Comptroller Louis L. Goldstein, to help cut through the red tape.

While the university system insisted that the insurance contract be competitively bid, Curran had arrangements with the two eligible bidders that would pay him a 3 percent commission every time a premium was paid by someone buying an insurance policy.

The payment of a brokerage fee and similar arrangements with different companies is not uncommon in the insurance business, industry officials said.

Although the deal was signed in

May, Curran disclosed his business arrangement with the winning bidder, Zurich Personal Insurance Co., in a Jan. 9 filing with the ethics committee.

Del. Kenneth C. Montague Jr., a Baltimore Democrat who is chairman of the legislature's ethics committee, has declined to comment specifically on the Curran case.

But he has said that members should file disclosures as soon as possible after a potential conflict occurs, instead of waiting until the start of the legislative session in January.

State Prosecutor Stephen Montanarelli declined to comment yesterday on the Curran matter or to say whether his office would investigate it.

Taylor met with Montague and Sen. Michael J. Collins, the ethics committee's co-chairmen, late yesterday afternoon and presented them with a letter signed by him and Miller. They charged the ethics committee with a review of Curran's actions "as they relate to the state's ethics laws and the delegate's position in the legislature."

Collins, a Baltimore County Democrat who defended the ethics committee's findings in the Young investigation on the floor of the Senate, said the committee would "thoroughly examine" the facts of the Curran case to determine whether further action is necessary. Curran could be asked to appear before the committee, Collins said.

"We will take the facts of the situation and examine them in light of the law and go where the facts lead us," Collins said.

Del. Clarence M. Mitchell IV, one of Young's most vocal defenders, urged the committee to "use the same standard that was used for Senator Young" in examining Curran's situation, suggesting that race was a factor in the former senator's ouster.

Collins, however, said emphatically: "The joint committee on ethics never has, and never will, evaluate issues on the basis ... of race."